

NATIONAL RAILWAY EQUIPMENT CO.

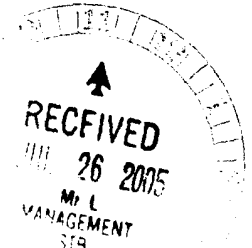


HOME OFFICE: 14400 S. ROBESY STREET · P. O. BOX 2270 · DIXMOOR, ILLINOIS 60426
TELEPHONE (708) 388-6002 · FAX (708) 388-2487

July 19, 2005

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423-0001

RECORDATION NO. 25725 FILED
JUL 26 '05 4-23 PM



SURFACE TRANSPORTATION BOARD

Attn: Equipment Recordation

To Whom It May Concern:

I have enclosed for recordation pursuant to the provisions of 49 U.S.C. 11301 a memorandum of lease agreement and a schedule of equipment for a locomotive lease agreement dated June 15, 2005, a primary document under the Board's recordation regulations.

The names and addresses of the parties to the enclosed document are as follows:

Lessor: National Railway Equipment Co.
P.O. Box 2270
Dixmoor, IL 61282

Lessee: Thunder Rail Association
P.O. Box 328
Arborfield, Saskatchewan S0E 0A0

A description of the equipment covered by the Lease Agreement is as follows:

One ALCO Model M420R, general purpose locomotive bearing road # NREX
2004

A short summary of the document to appear in the index is as follows:

"Locomotive Lease Agreement"

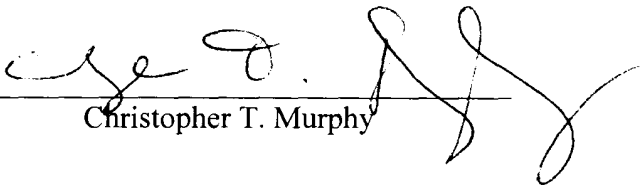
Also enclosed is a check in the amount of \$33 payable to the Surface Transportation Board to cover the required recordation fee for the attached agreement.

Please date stamp and return an original copy after recordation to:

Christopher T. Murphy
National Railway Equipment Co.
14400 South Robey Street
P.O. Box 2270
Dixmoor, IL 60426

Sincerely yours,

NATIONAL RAILWAY EQUIPMENT CO.

By: 
Christopher T. Murphy

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of June 15, 2005, by and between NATIONAL RAILWAY EQUIPMENT CO. ("Lessor"), and THUNDER RAIL ASSOCIATION ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, Locomotive model(s) described herein.

Each locomotive is fully-described in a certain Lease Agreement dated as of June 15, 2005, (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee. A Schedule of the equipment is attached hereto.

2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

The Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

RECORDATION NO. 25725 FILED

LESSEE:

JUL 26 '05

4-23 PM

THUNDER RAIL ASSOCIATION

SURFACE TRANSPORTATION BOARD

By: Alec J. Black.

Name: ALEC J. BLACK.

Title: Chairman.

LESSOR:

NATIONAL RAILWAY EQUIPMENT CO.

By: James M. Wurtz, Jr.

Name: James M. Wurtz, Jr.

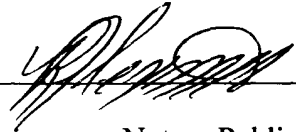
Title: Vice President

PROVINCE
STATE OF SASKATCHEWAN) SS.
COUNTY OF ARMORFIELD)

On this 21 day of JUNE, 2005, before me appeared ALEC BLACK, the person who signed this instrument who acknowledged that (s) he is the CHAIRMAN of THUNDER RAIL ASSOCIATION and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

[Seal]




Notary Public

My Commission Expires:


Dec 31, 2006

STATE OF ILLINOIS)
) SS.
COUNTY OF WILL)

On this 14th day of July, 2005, before me appeared James M. Wurtz Jr., the person who signed this instrument who acknowledged that (s) he is an officer of **NATIONAL RAILWAY EQUIPMENT CO.** and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

[Seal]




Notary Public

My Commission Expires:

12-30-06

SCHEDULE OF EQUIPMENT

Lessor: NATIONAL RAILWAY EQUIPMENT CO.

Lessee: THUNDER RAIL ASSOIATION

Approved by: _____
(Lessee to initial each page)

Attached to Bill of Sale dated:

Equipment Located at:

_____ National Railway Equipment Co.'s
remanufacturing facility in Mt. Vernon, Illinois

Equipment Schedule No.: See Schedule "A"

Manufacturer and/or Vendor
Name & Invoice Number

Equipment
Description

National Railway Equipment Co.

ALCO M420R General Purpose Locomotive